

**Amendments to the Claims:**

This listing of claims will replace all prior versions, and listings, of claims in the application:

**Listing of Claims:**

Claims 1-40. (Canceled)

41. (New) A method for embedding a watermark in an image, wherein the watermark is visible to the human eye when the image containing the watermark is displayed, comprising the steps of:

- (a) determining a film grain noise characteristic,
- (b) producing a watermark signal that includes the film grain noise characteristic, and;
- (c) combining the watermark signal with the image to produce a watermarked image that contains a humanly visible watermark.

42. (New) The method of claim 41, wherein the step of determining the film grain noise characteristic comprises defining a standard deviation.

43. (New) The method of claim 41, wherein the step of determining the film grain noise characteristic comprises defining Fourier magnitude data.

44. (New) The method of claim 42, wherein the step of determining the standard deviation of the watermark signal comprises matching the film grain noise characteristic to the standard deviation.

45. (New) The method of claim 43 further comprising the step of defining a Fourier spectrum of the watermark signal that is shaped to resemble a Fourier spectrum of the film grain noise characteristic.

46. (New) The method of claim 44, wherein the step of determining the standard deviation comprises determining an image signal level.

47. (New) The method of claim 44, wherein the step of determining the standard deviation comprises determining an image color channel.

48. (New) The method of claim 41, wherein the step of producing the watermark signal comprises modifying at least one carrier image to obtain the film grain noise characteristic.

49. (New) The method of claim 41 further comprising the step of removing an existing noise characteristic prior to combining the watermark signal having the film grain noise characteristic.

50. (New) The method of claim 41 further comprises the step of providing the image as a single frame in a movie sequence.

51. (New) The method of claim 50 further comprising the step of providing ownership and tracing information useful in combating piracy in the watermark.